MONTANA LEGISLATIVE HISTORY

Chapter 314 19 81

Bill H 760 S _____ Original bill & history X C

H. Committee on Local Gov't			S. Committee on Local Gov't		
Hearing Date(s)	2/19	X C	Hearing Date(s)	3/18	X C
Executive Action - No minutes	2/21	C	Exec. Action	3/26	X C
		C			C
		C			C
Date Out		C			

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

LOCAL GOVERNMENT COMMITTEE

47th Legislature (1981)

Bill No.	Subject Matter	Date In	Sponsor	Hearing Date	Committee Action	Date Out
SB 236	To clarify the law relating to joint and consolidated planning boards and to authorize any governing body which has the power to create a planning board to to form a joint or consolidated board	210	Conover	March 7	BE NOT CONCURRED IN	3/3
HB 712	To require that a vacancy in municipal elected office be filled by the city or town council	2/10	Hurwitz	Tues. 2/17	DO PASS 2/17	2/17
HB 715	To revise the Montana Subdivision and platting act and related landuse statutes	2/10	Lory	2/19	DO PASS AS AMENDED	2/21
HB 737	To authorize the establishment of municipal facilities districts by petition, hearing, and election; etc.	2/12	DUSSAULT	2/19	DO PASS AS AMENDED	2/21
HB 760	To provide procedures for the electors of local governments to consolidate or transfer the administrative responsibility for services between or among municipalities and counties.	2/13	Waldron	2/19 (Feb.)	DO PASS	2/21

Form CS-32
1-79

14.

HOUSE BILL NO. 760

INTRODUCED BY WALDRON, HAGER, VAN VALKENBURG, J. O'HARA, AZZARA, D. O'HARA, KESSLER, HAZUREK, KEMMIS, WILLIAMS, VINGER, COZZENS, REGAN, FABRECA, CONOVER

IN THE HOUSE

February 13, 1981	Introduced and referred to Committee on Local Government.
February 21, 1981	Committee recommend bill do pass. Report adopted.
February 23, 1981	Bill printed and placed on members' desks.
February 24, 1981	Second reading, do pass as amended.
	On motion rules suspended and bill placed on third reading this day.
February 25, 1981	Correctly engrossed.
	Third reading, passed. Ayes, 84; Noes, 14. Transmitted to Senate.

IN THE SENATE

March 3, 1981	Introduced and referred to Committee on Local Government.
March 26, 1981	Committee recommend bill be concurred in. Report adopted.
March 30, 1981	Motion pass consideration.
March 31, 1981	Second reading, concurred in.
	On motion rules suspended. Bill placed on calendar for third reading this day and allowed to be transmitted on 71st legislative day. Motion adopted.

March 31, 1981	Third reading, concurred in. Ayes, 48; Noes, 1.

IN THE HOUSE

April 1, 1981	Returned from Senate. Concurred in. Sent to enrolling.
	Reported correctly enrolled.

HOUSE BILL NO. 760

INTRODUCED BY Waldron Hager VanValkenburg Keenan Williams Conover

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE PROCEDURES FOR THE ELECTORS OF LOCAL GOVERNMENTS TO CONSOLIDATE OR TRANSFER THE ADMINISTRATIVE AND FINANCIAL RESPONSIBILITY FOR SERVICES BETWEEN OR AMONG MUNICIPALITIES AND COUNTIES; AMENDING SECTION 7-11-230, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Purpose. (1) The purpose of [sections 1 through 10] is to provide procedures for the electors of local governments to consolidate or transfer the administrative and financial responsibility for services between or among municipalities and counties.

(2) Nothing in [sections 1 through 10] is to be construed as in any way affecting the authority of local governments to enter into interlocal agreements or contracts as provided by law.

NEW SECTION. Section 2. Consolidation and transfer of services. (1) A consolidation or transfer of services between or among municipalities may be proposed by a petition of the electors or on a recommendation of an interlocal cooperation commission as provided in 7-11-230.

(2) A petition or recommendation may propose to consolidate or transfer the administrative or financial responsibility or any administrative service, activity, or undertaking that any of the local governments included in the proposed consolidation or transfer are authorized by law to perform.

(3) Notwithstanding the requirements of 7-32-101, a petition or recommendation may propose to consolidate or transfer any law enforcement administrative service, activity, or undertaking between or among local governments.

NEW SECTION. Section 3. Petition for consolidation or transfer of services. (1) A petition or recommendation for the consolidation or transfer of the administrative and financial responsibility for services between or among local governments may be presented to the governing bodies of the local governments affected by the consolidation or transfer.

(2) A petition must be signed by at least 15% of the electors registered at the last general election of the local governments affected by the proposed consolidation or transfer.

(3) Whenever the consolidation or transfer of a service between a county and municipality is proposed by petition, the petition must be signed by at least 15% of the electors residing in each municipality included in the service consolidation or transfer and 15% of the electors residing in the remainder of the county.

(4) Upon determination of the sufficiency of the petition or upon receipt of a recommendation of the interlocal cooperation commission, the governing body of each of the local governments affected by the proposed consolidation or transfer shall call an election on the transfer or consolidation as provided in [section 7].

NEW SECTION. Section 4. Service plan. (1) The petitioners or the interlocal cooperation commission shall prepare a service plan governing the service or activity proposed to be transferred or consolidated.

(2) The plan shall provide:

(a) the nature of service or function to be consolidated or transferred;

(b) the effective date of the proposed consolidation or transfer;

(c) the responsibility for administration of the service to be consolidated or transferred, including the succession of the performance of duties currently performed by an elected officer if the elective status of an office is affected;

(d) the manner in which affected employees currently engaged in the performance of the function will be transferred, reassigned, or otherwise treated;

(e) the manner in which real property, facilities, equipment, or other personal property required in the

exercise of the function are to be transferred, sold, or otherwise disposed of;

(f) the method of financing, establishing, and maintaining a budget for the service; and

(g) other legal, financial, and administrative arrangements necessary to effect the transfer in an orderly and equitable manner.

(3) The service plan may include provisions for an administrator or joint board responsible for administering any joint or cooperative undertaking.

(4) The service plan shall be attached to the petition or to the interlocal cooperation commission's recommendation when it is submitted to the governing bodies affected by the service consolidation or transfer.

NEW SECTION. Section 5. Availability of petition or recommendation and service plan. (1) Sufficient copies of the petition or recommendation of the interlocal cooperation commission proposing a service consolidation or transfer and the service plan must be made available to the public for inspection at convenient locations and at reasonable hours to provide all interested persons an opportunity to review the recommendations and documents. The copies must be available no later than 30 days prior to an election on the proposal if such an election is to be held.

(2) Each local government affected by the proposal may

distribute copies of the service plan to its residents.

NEW SECTION. Section 6. Publication of summary and comparison. (1) A summary of the recommendations contained in a petition or recommendation and the service plan proposing the consolidation or transfer of a service or activity must be published at least twice in a newspaper of general circulation in each local government affected by the proposal. The publication must be made during the 2 weeks preceding the election.

(2) The summary must contain a description of the recommendations, a comparison of the existing and proposed methods of service delivery, and a list of locations where the full proposal may be seen or obtained.

(3) The cost of publication required by this section shall be shared by the affected local governments.

NEW SECTION. Section 7. Election on service consolidation or transfer. (1) The governing bodies of each local government affected by a proposed service consolidation or transfer shall jointly call a special election on the question of service consolidation or transfer, to be held within 120 days of the date of the filing of the petition under [section 3] or within 120 days of the receipt by the local government of the interlocal cooperation commission recommendation. The special election may be held in conjunction with any other election. The

county elections administrator shall prepare and print notices of the special election.

(2) The cost of the election shall be shared by the affected local governments in proportionate shares as agreed to by the governing bodies of the local governments.

NEW SECTION. Section 8. General ballot requirements. (1) The question of adopting a service consolidation or transfer shall be submitted to the electors of the local governments affected by the proposal in substantially the following form:

"Shall the plan for (consolidation or transfer) of (insert name of service or function) services proposed in the (petition or recommendation of the interlocal cooperation commission) and service plan to the (insert the names of local government units) be adopted?"

☐ YES.

☐ NO.

(2) If the question of adopting a service consolidation or transfer alters the elective status of any elected county official, it shall be submitted to the electors of the local governments affected by the proposal in substantially the following form:

☐ "For adoption of (consolidation or transfer) of (insert name of service or function) proposed in the (petition or recommendation of the interlocal

HB 760

cooperation commission) and service plan to the (insert names of local government units) in which the office of (insert name of county office) is (insert description of changes in elective status)."

☐ "For existing service delivery arrangements."

(3) In any election involving the question of service consolidation or transfer, an affirmative vote of a simple majority of those voting on the question is required for adoption.

(4) If the electors disapprove the proposed service consolidation or transfer, each local government retains its existing service delivery method until changed or modified as provided by law.

(5) Except for nonsubstantive adjustments required to insure efficient and effective operations, a service consolidation or transfer effected by the procedures contained in [sections 1 through 10] may be amended or otherwise changed only in the same manner as required for its adoption.

NEW SECTION. Section 9. Effect of adoption of service consolidation or transfer. The adoption of a service consolidation or transfer does not affect the validity of any bond, debt, contract, obligation, or cause of action accrued or established by any affected local government prior to the consolidation or transfer.

NEW SECTION. Section 10. Judicial review. (1) Judicial review to determine the validity of the procedures used in adopting any service consolidation or transfer may be initiated by petition in district court of 10 or more registered electors of each local government affected by the consolidation or transfer brought within 60 days after the election adopting the service consolidation or transfer. If no petition is filed within that period, compliance with all the procedures required by [sections 3 through 10] and the validity of the manner in which the service consolidation or transfer was approved is conclusively presumed.

(2) It is presumed that proper procedure was followed and all procedural requirements were met. The adoption of a service consolidation or transfer may not be considered invalid because of any procedural error or omission unless it is shown that the error or omission materially and substantially affected its adoption.

Section 11. Section 7-11-230, MCA, is amended to read:

"7-11-230. Procedure for making recommendations. After public hearing, the commission shall submit proposals contained in its comprehensive program for action as follows:

(1) If the comprehensive plan of the commission includes the creation of or any change, alteration, consolidation, dissolution, or annexation with respect to

any unit of local government or special district a procedure for which is provided by law upon petition by the people and an election, the commission shall make public its proposal or proposals to the people in the area or areas affected.

[2) If the comprehensive plan includes the consolidation or transfer of the administrative and financial responsibilities for services between or among municipalities and counties, the commission shall make public its recommendation to the electorate of the local governments for referenda as provided for in [section 2].

~~(2)~~[3] If the comprehensive plan includes any change, alteration, interlocal agreement, consolidation, dissolution, or annexation with respect to any unit of local government or special district which can be carried into effect under existing law by action of the governing bodies of the units affected, the commission shall recommend the necessary action to the governing body or bodies of the units of government concerned.

~~(3)~~[4] If the comprehensive plan includes the creation of or any change, alteration, consolidation, dissolution, or annexation with respect to any unit of local government or special district which necessitates enabling legislation or amendments to the general laws or constitution of Montana, the commission shall make such recommendation or recommendations to the ensuing legislature."

Section 12. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

-End-

HB 760

able case could be made then. If problems result from the lack of your attention to each individual situation, it has to be taken up at that time. But I don't see the need for the argument to review everything the municipality does with the depth and detail you are suggesting.

REP. AZZARA asked Jim Jensen how the consumer might be protected. Do you have any idea on this?

JIM JENSEN said it would be limited to less than 15% possibly in this bill. We find 15% not necessarily to be a minimal amount of increase annually in either sewer or water increases. In terms of representation, I don't know who at the local level would be sufficiently well versed in the utilities language and rates to stand before a regulatory body involved at the local level to make an active presentation to refute the very technical efforts presented by utility lawyers.

REP. AZZARA said we are not talking about utility lawyers. We do have municipal attorneys.

JIM JENSEN said we have had utility attorneys representing utilities.

REP. KITSELMAN asked Bill Opitz: When you gather facts for a rate increase, you held hearings and the people came up and gave you the input, didn't they? Or was their preparation by attorneys from both sides?

BILL OPITZ said he wasn't at the hearing, but he knew Jim Paine represented the consumer Counsel. We had our attorney and beyond the city having their attorney, I don't know of any others.

CHAIRMAN BERTELSEN asked if there were further questions. As there were none, he closed the hearing on HB 765. We'll clear the room and allow witnesses for HB 760.

HOUSE BILL 760 - sponsored by Rep. Steve Waldron

REP. WALDRON said on the way down here, he had a good feeling because this is probably the first bill he's introduced that hasn't been controversial. When I got here I found out that the sheriffs were going to come in against the bill and they told me the reasons why. The bill was requested by the Billings Chamber of Commerce, and since Missoula didn't endorse me, I thought I could help out the Billings Chamber.

The bill deals with consolidation of services between local governments, city and county. Under current law there is

something called an Interlocal Cooperation Commission that can be set up by various governments. The local governments make the appointments to the commission and they look at the possibility of cost and efficiency savings by consolidating services and then make recommendations. The problem is that there is so much turf building going on and so much concern over turf that it is practically impossible to get that consolidation or transfer of services to work. One way to do that would be to allow the Interlocal Cooperation Commission as provided by law to present the voters with their recommendation for consolidation of transferred service.

The bill also provides the petition process for providing consolidation and transfer of services for the bodies that control those services. A petition for consolidation or transfer of services must be signed by at least 15% of electors registered at the last general election of local governments affected by the proposed consolidation or transfer.

REP. WALDRON explained the different sections of the bill, explaining the way for setting up the election, advertising, and so forth. He said there will be some opposition because of the possibility that you could do away with an elected office or combine elected offices. That is true. Under this bill you could, but you could also do it now because there are several choices available under the alternative forms. I would also like to point out to the committee that Dave Wanzenreid from the Department of Community Affairs is here. He wrote the bill on the recommendation of the Billings Chamber of Commerce and is capable of answering questions.

CHAIRMAN BERTELSEN said he doesn't like to limit the time for witnesses, but due to the time crunch each side can have 15 minutes to present their testimony.

PROPONENTS TO HOUSE BILL 760

DAVE GOSS said he is representing the Billings Chamber of Commerce. He urged that HB 760 receive a do pass recommendation. (His written testimony is attached to and made a part of these minutes.)

AL THELEN, City Administrator of Billings, said he is here to support HB 760. (He said he has a letter from Cy Jamison, Council Member from Ward 3, which he presented as testimony and is attached to and made a part of these minutes.) Mr. Thelen said he has been before this committee several times and talked about the economic condition of local government, and the tough times they are having. He feels this is one of several pieces of legislation which might allow us to eliminate a lot of duplication. It is enabling legislation. We need all of that we can get. He mentioned they do have an interlocal commission at work, appointed by the three cities,

as well as the counties, looking specifically at law enforcement. This would give them an added opportunity in terms of the recommendation that they consider if the bill does pass. I just want to underscore the problems of law enforcement in terms of equalizing the cost of consolidation. In my judgment, in the large urban areas of Montana, that simply will not happen, if the people of the unincorporated areas have to vote and the cities have an independent vote. Certainly, the people that get a very strongly subsidized system around the city will not vote for that and for that reason this allows a unified vote by the county which we particularly support.

OPPONENTS TO HOUSE BILL 760

JOHN SCULLY said he is representing Sheriffs and Peace Officers. This is the third bill dealing with this. As Mr. Thelen pointed out to you, if you think about consolidation, what you really wind up with is you won't be consolidating the Clerk and Recorders or the Assessor's office. You may have some consolidation with regard to a city or county treasurer, even though the job functions would be carried on separately as there is not much duplication there. The only place where there might be consolidation would be in law enforcement. I recognize there are problems and frustrations with bigger cities dealing with law enforcement efforts and the expense of law enforcement and their problems. In terms of the dollar cost, there hasn't been much duplication going on. They try to avoid that simply because of the fact that they would like to have some time off with their family and avoid 24 hour shifts when possible.

Some inherent problems with law enforcement are that you have a different retirement system. It doesn't go away just based on an election. Secondly, you have to take a look at the section in the bill about the ability to alter the function of elected officials. With regard to the sheriff, he is an elected official. About the only other county official you are really dealing with is the county attorney who shares that responsibility.

I empathize with the problem the cities are having, but if you go back in the history of law enforcement, it used to be the other way around. The cities really had a good thing going for them because they had enough money to have officers all the time, while the people in the county could never get a law enforcement officer there unless he drove by for a basketball game on Saturday night and left. I recognize the burden but I don't think it can be solved with this bill.

The other major item I'd like to point out to you is that you have the ability to consolidate local governments now and

change your form of government by election of the people. Silver Bow and Madison counties have done it but it hasn't worked well. It doesn't solve the problem, it creates one. I also think it is too far gone to say that you can isolate and pick out of local government and county government particular functions and isolate those and expect the government to work well when you get finished. I think the way to solve that problem would be consolidation of government and not to isolate law enforcement. I think you'd have a real problem if it really is aimed at the sheriffs and police officers. We've gone through the problem in Gallatin County. We respectfully ask you to not pass HB 760.

CHAIRMAN BERTELSEN said if someone has testimony they'd like to hand in and save some time, we'd appreciate it.

FURTHER OPPONENTS

CHUCK O'REILLY said he is Sheriff of Lewis and Clark County and a member of the Board of Directors of the Montana Sheriffs and Peace Officers Association. Mr. O'Reilly said he'd try to be brief. We feel this a piecemeal approach to the consolidation problem and we could end up with a hybrid government that is city, yet county, yet city-county and not a well oiled machine. The only other issue I'd like to address that hasn't been mentioned is the comment that those in opposition, one or two people, can kill their interlocal agreement. That, as pointed out, is a people problem. If those elected officials are not in tune with the wishes of the electorate, then they are going to be gotten rid of and replaced with those who are. This may extend the length of the process, but I'm not so sure that this isn't good rather than bad. As it has been pointed out, this is a lengthy procedure. A lot of errors can be made and I think the time would be in favor of the process rather than against it.

GEORGE HAGERMAN said he is a member of the American Federation of State, County and Municipal Employees and he stated they are opposed to the bill.

JOHN ONSTAD, Sheriff of Gallatin County and President of the Montana Sheriffs and Peace Officers Association, said they oppose HB 760.

JULIE HAGER of Missoula County and a rural resident opposed HB 760.

CHAIRMAN BERTELSEN asked if there were other opponents. As there were none, he asked Rep. Waldron if he'd like to close.

REP. WALDRON said when we're talking about consolidation of services, we are not talking about law enforcement. In Missoula County I see snow plows come up the road and at the city line they lift up the plow and keep on going back to the garage or wherever they are going. That seems to me to be rather inefficient to say the least. There are things like parks, park departments, cemetery services, accident investigations and those types of things that could perhaps be consolidated within the administrative structure as noted in the bill, leaving the elected officials, but perhaps using the same dispatcher. There are a lot of things you can do as far as law enforcement and other services provided by local government. I would also like to point out that I pulled out the law book and there is a section 7-32-101, which is referred to in the bill which provides for consolidation of police services, police and sheriff services, and it is called the Department of Public Safety. There is a whole provision of law in there for that, so I think if the sheriffs are really concerned that their turf is going to be destroyed, they should be looking carefully at that law.

I'd like to point out that it seems rather hypocritical to oppose a bill which has the potential,after a vote of the people in an area,of combining an elective office or making an elective office an appointive office when in fact there are several positions of sheriffs who have the title of sheriff-coroner because they have done away with an elective coroner. With that, I will close.

QUESTIONS FROM THE COMMITTEE

REP. MATSKO commented to Mr. Thelen that this seems to be a Billings bill. Since you are from Billings, you would probably know better than anyone else what specific offices are being anticipated for consolidation.

AL THELEN said the Interlocal Commission that was set up has jurisdiction across the board in city and county, but the three cities asked them to look at law enforcement first and they are still on that and probably will be for another six months. I would suspect they will look at financial management as one, but we have not gone into it yet. There will probably be one in the area of park and recreation programs and maintenance. Those are the only three we have identified to date.

REP. MATSKO asked Mr. Thelen if they have attempted to consolidate law enforcement at this time?

AL THELEN said the Interlocal Commission is currently studying that issue.

REP. MATSKO commented the question will probably come as to why there is a need for a bill that principally removes exceptions in the law now that apply directly to consolidating procedures. I understand the intent of the bill is to circumvent the present exceptions and rules governing consolidation of government functions.

AL THELEN said we are trying to find as many options as possible for supporting a disincorporation bill which would change procedures and be easier to implement. We are supporting this bill because it provides some easier ways to implement consolidation.

REP. MATSKO said principally the reason for introduction of this bill is that you want to have a mechanism whereby you can implement the decisions of the Interlocal Commission that you set up regardless of who else might stand in the way. Is this correct?

AL THELEN said no, I think we want to give that Commission additional options. I think as we look at the possibility of specifically consolidating law enforcement by an independent vote, our study would be a futility. That is a specific change we want to see, because if we do come up with a positive recommendation in that area, the only way to really implement it would be by disincorporation.

REP. KITSELMAN asked a question of Al Thelen. Would this bill be aimed at implementing a city-county jail type of cooperation?

AL THELEN said the committee was asked to look into that particular issue by number of groups in the community. If you are looking at total law enforcement, it would include that. They indicated they would look at separate issues. Yes, that would be included in their study to some way consolidate total law enforcement services.

REP. HANNAH asked Dave Goss if the City of Billings asked the Billings Chamber to put this legislation together.

DAVE GOSS said we were the ones that came up with the concept. We approached the city. We talked to people who were on the Interlocal Cooperation Commission to see what their reaction would be if we introduced this bill. Their reaction was good. When we started our study some three years ago, we became concerned with the lack of a way to allow the voters to decide how the service should be formed.

REP. KESSLER addressed a question for a sheriff. It is unfathomable to me that you can be opposed to this when it is up to the people to make that judgment. Why don't you think the people should be able to make this decision?

CHUCK O'REILLY said we are in favor of the people making the decision. The current law works and works well. We don't want to see a piecemeal approach. Sometimes people aren't fully aware of the result when an initiative or process is brought to them for a vote. We are afraid of a hybrid type government.

REP. SALES asked Dave Wanzenreid a question. Don't we presently have a way to reach an Interlocal Agreement to provide any type of service in any class of county between a county and a city or a county and a town?

DAVE WANZENREID said an Interlocal Agreement Act provides that any local government can, by an interlocal agreement, transfer any local service on consent of the governing body. There are separate laws on libraries, planning and other functions that are specifically provided for in the law and specific legislation addresses those points.

REP. SALES commented that all this does is provide another way for the people to vote on whether they want an interlocal agreement. Is there more to it than that?

DAVE WANZENREID said the bill provides two vehicles. This would provide a vehicle to take their recommendations to the voters. In the two previous instances where we had an Interlocal Cooperation Commission in the state, the recommendations had no vehicles passed on for voter approval. The other thing it provides is where the governing bodies and two local governments concerned agree upon something, the voters should have some participation in making that decision.

CHAIRMAN BERTELSEN closed the hearing on HB 760.

HOUSE BILL 715 - sponsored by Rep. Earl Lory

REP. LORY of District 99, Missoula, Montana, introduced HB 715. He gave a brief history of the bill, stating it had been introduced in 1979, but failed. He said he feels this is an excellent law. This is an act to revise the Montana subdivision and platting act and related land-use statutes. No subdivision law will please everyone because people have two very opposite views on what subdivisions should do. On one side you have the people who consider the land should be held in trust for the people of the nation or the state. On the opposite side are the people who say that land is a private property and they should be able to do as they wish with no interference from anyone. There is a battle between those two extremes and we've tried to walk the middle of the line.

Many people are fearful of a review of any kind and, therefore, make a great effort to obviate the department for hearing a

VISITORS' REGISTER

HOUSE Fish & Game COMMITTEE

BILL HB 760 Date 2-17-81

SPONSOR Rep. Steve Waldron

NAME	RESIDENCE	REPRESENTING	SUPPORT	OPPOS
A.F. Hagerman	Helena	AFSCME		✓
Chuck O'Reilly	Helena	Trout Unlimited		✓
John Hull		"		✓
John Onstad	Bozeman	"		✓
[illegible]	[illegible]	[illegible]	✓	
Rose Leavitt	Helena	LWV Montana	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Billings Area
CHAMBER OF COMMERCE

The Billings Area Chamber of Commerce supports House Bill 760.

The consolidation or transfer of similar service functions of local governments is one possible way to bring greater efficiency to government. House Bill 760 would not mandate such consolidation or transfer, but it would allow the voters, those who are paying for and receiving the service, to decide how a particular service is to be provided.

This bill would allow a service consolidation or transfer to be proposed either by a petition of the voters, or by an interlocal cooperation commission, a public body which is allowed to be created by existing state law. This proposal for consolidation or transfer would have to clearly spell out such things as the service function that would be consolidated or transfered, how it would be administered, and how it would be funded. Whether this proposed consolidation or transfer would be implemented would be decided by the voters.

The advantages to this system are many. First of all it would provide the people with a means of determining the structure and manner in which their governments will provide services. It would also provide a method by which a desired service consolidation or transfer can be brought about when political considerations prevent the local governing bodies from being able to reach an agreement. And it would provide a way for the recommendations of an interlocal cooperation commission to be implemented, something which the Chamber feels is lacking under existing state law.

With the financial plight of local governments and the increasing cost of providing services, all options aimed at increasing the efficiency of local government need to be explored including the option of consolidating or transfering service functions. We ask that you give the people the option of deciding whether such consolidation or transfer is best for them and their community. We urge you to give House Bill 760 a "do pass" recommendation.

P.O. Box 2519 • Billings, Montana 59103 • (406) 245-4111

NAME Chuck O'Reilly BILL No. HB760

ADDRESS 8530 No Front Helena DATE 2-19-81

WHOM DO YOU REPRESENT Mont. Sheriffs Assn

SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

FORM CS-34
1-81

NAME L John Oustad BILL No. 760

ADDRESS Bozeman DATE 2-19-81

WHOM DO YOU REPRESENT Montana Sheriffs + Peace Officers

SUPPORT _____ OPPOSE ✓ AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

FORM CS-34
1-81

NAME John Sills BILL No. 760

ADDRESS Bozeman DATE 2-19-81

WHOM DO YOU REPRESENT Mont. Stockgrowers Assn.

SUPPORT _____ OPPOSE X AMEND _____

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:

FORM CS-34
1-81

CITY OF BILLINGS

February 18, 1981

220 NORTH 27TH STREET
P. O. BOX 1178
BILLINGS, MONTANA 59103
PHONE (406) 248-7511

Verner Bertelsen, Chairman
House Local Government Committee

The City of Billings supports House Bill 760.

With the economic conditions facing local governments today, it is becoming increasingly apparent that local governments must search for more efficient ways to deliver services including the consolidation or transfer of similar city and county functions. In this respect, we feel that House Bill 760 provides a good method of bringing about such consolidation or transfer.

While there are presently methods available with which to consolidate or transfer such services between local governments, there are times that political considerations make reaching such agreements difficult if not impossible. House Bill 760 would provide a means whereby such political consideration and problems could be overcome by referring the question to the voters.

House Bill 760 would also allow the consolidation and transfer of a service function to be tailored to meet the individual needs and unique problems of a specific community, flexibility that is not always available under present law.

In Yellowstone County at the present time, an interlocal cooperation commission has been formed to examine law enforcement in the county and its cities. While we are not trying to second-guess what their findings and recommendations will be, House Bill 760 would certainly provide an important means of implementing any recommendation they may make with regards to any consolidation.

The City of Billings urges that House Bill 760 be given a "do pass" recommendation.

Sincerely,

Cy Jamison
Ward 3 Council Member

NAME G. F. Waterman BILL No. HB 760

ADDRESS 600 Forest Cooke Helena DATE 2-1981

WHOM DO YOU REPRESENT AFSCME

SUPPORT _____ OPPOSE _____ AMEND ✓

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments: amend New Section 3. to read at least 1/3 of the dieters.

amendment to be added to New Section 4. Employees shall not receive a reduction in wages, benefits, or any other working condition.

FORM CS-34
1-81

STANDING COMMITTEE REPORT

January 21, 19 71

MR. SPEAKER

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 760

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE PROCEDURES FOR THE ELECTORS OF LOCAL GOVERNMENTS TO CONSOLIDATE OR TRANSFER THE ADMINISTRATIVE AND FINANCIAL RESPONSIBILITY FOR SERVICES BETWEEN OR AMONG MUNICIPALITIES AND COUNTIES; AMENDING SECTION 7-11-230, MCA."

Respectfully report as follows: That HOUSE Bill No. 760

DO PASS

Verner L. Bertelsen, Chairman.

STATE PUB. CO.
Helena, Mont.

Mr. Casne said it would depend on the water system, etc. The biggest share of the $15 increase will go back to the counties.

Senator McCallum asked if they were only authorized 9 FTE, do the sanitarians belong to the county.

Mr. Casne said they are not employed by the Department of Health.

Senator McCallum asked if Mr. Casne was authorized to check over their findings.

Mr. Casne said when the county is under contract then the local sanitarian does review it on their behalf.

Senator McCallum said then they don't come directly to Helena.

Mr. Casne said they have a branch office in Kalispell that is responsible for Sanders, Lake, Flathead and Lincoln Counties.

Senator McCallum thought the person in Kalispell was doing private consulting work.

Mr. Casne said that was not true to his knowledge.

Senator Hammond asked how they serve the northeastern part of the state.

Mr. Casne answered they serve that part of the state out of Helena as best they can. They rely a lot on the sanitarians.

Senator Ochsner asked if most subdivisions are done by local sanitarians in the eastern part of the state.

Mr. Casne said that was not correct, the sanitarians are the eyes and ears in the eastern part more than any other part of the state.

CONSIDERATION OF HOUSE BILL 760:

AN ACT TO PROVIDE PROCEDURES FOR THE ELECTORS OF LOCAL GOVERNMENTS TO CONSOLIDATE OR TRANSFER THE ADMINISTRATIVE AND FINANCIAL RESPONSIBILITY FOR SERVICES BETWEEN OR AMONG MUNICIPALITIES AND COUNTIES.

Representative Waldron, District No. 97, said this bill allows voters to make decisions by providing a means whereby they may consolidate or transfer the administrative and financial responsibility for services between or among municipalities and counties. Several steps are required for consolidation. First, a service plan needs developed, also how it would be administered and funded. It could be placed on the ballot by referendum or

initiative. Once the matter is placed on the ballot it rests with the voters. It allows interlocal cooperation commissions to place findings on the ballot. A petition of 15% of the voters is required to place the issue on the ballot. This requires a service plan, it requires publication of the plan, it provides for protection of obligations and judicial review. Any complaints must be made within 60 days of the election. The Billings Chamber of Commerce asked him to carry this bill.

Dave Goss, Billings Chamber of Commerce, explained how the bill came about. They have tried to bring about a way to consolidate or transfer because of their concern with the increase in cost of local governments. There is a lot of duplication between the two bodies. While the Constitution provides for local governments to cooperate or consolidate, there wasn't a mechanism for voters to bring that about. You can have an interlocal agreement but the problem with that is in the area of controversy or emotional issues it would be impossible to bring about an agreement. This bill does not affect existing laws dealing with interlocal agreements. The community can decide how services will be provided. (See attached Exhibit C.)

Senator McCallum then called for opponents of the bill.

John Scully, Sheriffs and Peace Officers Association, said this is a law enforcement problem also. There is a means currently available at the local level to deal with consolidation of law enforcement. It is not a simple problem. There is double taxation. There is a format available to put pressure on people to get items consolidated if that is what they want. If you pass this bill, 15% of the voters will come rushing in and consolidate law enforcement and throw one or the other out. A county or city official will be eliminated. There would be a real problem with taxation and financing the sheriff or police department. He has no problem with communities wanting to consolidate but they can do that now without this bill. The bill was brought about by Al Thelen who is now the city manager of Billings.

Chuck O'Reilly, Lewis and Clark County Sheriff, agrees with Mr. Scully. He thinks this is an unnecessary law. You can get rid of an unwanted individual if you want to. This bill is designed for Billings, no one else seems to want it. He hopes the committee kills the bill.

Al Rierson, Flathead County Sheriff, said a lot of people move out of cities because the city government doesn't give them what they expect. He opposes the bill for the same reasons expressed by Mr. Scully and Sheriff O'Reilly.

Representative Waldron, in closing, said this has nothing to do

with consolidating cities and counties. He resents the statement by Mr. Scully concerning Mr. Thelen. This bill was put together before Mr. Thelen became the manager of the city of Billings. This bill is not to consolidate governments, it provides means for interlocal cooperation to place consolidation or transfer of responsibility for services on the ballot. The sheriffs are afraid people would consolidate their office. He trusts people more than the sheriffs seem to.

Senator McCallum then called for questions from the committee.

Senator Ochsner said it takes 15% of the voters to get this on the ballot but what would it take in the election to get this.

Representative Waldron said it would take the majority. It requires 15% of electors in each municipality and 15% of electors in the county.

CONSIDERATION OF SENATE JOINT RESOLUTION 28:

REQUESTING THE LEGISLATIVE FINANCE COMMITTEE TO STUDY THE EFFICIENCY OF THE SEVEN AREA AGENCIES ON AGING IN MONTANA AND THEIR ACCOUNTABILITY TO THE PEOPLE THEY SERVE.

Senator Himsl was unable to attend the hearing to present the resolution to the committee so Senator McCallum presented it. The hearing was turned over to Vice-Chairman O'Hara.

Senator McCallum, District No. 12, presented this resolution at the request of Senator Himsl. Senator Himsl had requested this be drafted and passed in order for the Interim Finance Committee to call for a study of the area agencies on aging in Montana. They had a bill in the House that would have changed the area regions back to the county. The subcommittee on Appropriations felt a need for a study in these areas. This asks the Finance Committee to study them and bring back recommendations to the next legislature.

Jim Jensen, Low Income Senior Citizens Advocates, strongly endorses this resolution. Representative Stobie brought the proposal to the subcommittee on Appropriations to streamline or eliminate area agencies on aging. They do not have adequate information concerning this. There are problems and he feels this is the best way to go about making the decisions.

There were no opponents of the resolution appearing before the committee.

Senator O'Hara then called for questions from the committee.

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

47th LEGISLATIVE SESSION - - 1981 Date 3/18/81

NAME	PRESENT	ABSENT	EXCUSED
Senator George McCallum	✓		
Senator Jesse O'Hara	✓		
Senator H. W. Hammond	✓		
Senator J. Donald Ochsner	✓		
Senator Bill Thomas	Excused		
Senator Max Conover	✓		
Senator Fred Van Valkenburg	✓ Excused		

Each day attach to minutes.

DATE MARCH 18, 1981

COMMITTEE ON LOCAL GOVERNMENT BILL NO HB760

VISITOR'S REGISTER

NAME	REPRESENTING	Check One: Support	Check One: Oppose
DAVE GOSS	Billings Chamber of Commerce	X	
[illegible]	Montana League of Cities & Towns		f
[illegible]	Billings Public Schools		
Chuck O'Reilly	Teamsters Assoc		X

(Please leave prepared statement with Secretary)

Billings Area
CHAMBER OF COMMERCE

The Billings Area Chamber of Commerce supports House Bill 760.

This bill would allow the voters to make decisions about their government by providing a means whereby those voters, who are paying for and receiving the services of local governments, can consolidate or transfer a service function between or among municipalities and the county.

In order for service consolidation or transfer to occur, HB 760 would require that several steps be taken. First a service plan would have to be developed identifying the service to be consolidated or transfered, how that service would be administered, and how it would be funded. This plan could then be placed on the ballot either through the initiative process or by a referendum of the governing bodies if the recommended plan comes from an interlocal cooperation commission which is provided for by existing law. Once the matter is placed on the ballot, the final decision on service consolidation or transfer rests with the voters.

HB 760 would not alter the ability of local governing bodies to enter into interlocal agreements, but rather would provide another means to achieve service consolidation or transfer. It is needed because there is a limiting factor in the use of interlocal agreements in that all the governing bodies involved must be able to reach agreement on the proposed consolidation or transfer. Therefore the use of this method is fine when no controversy or emotional issues are involved. But when the proposed consolidation or transfer affects a politically sensitive or controversial area, political considerations may prevent the governing bodies from reaching an agreement, despite the wishes or desires of the public. In such cases, HB 760 would provide a means to overcome such roadblocks to consolidation or transfer by allowing the voters to make the decision.

HB 760 would also provide a method for implementing the recommendations of an interlocal cooperation commission. In the past in Montana there have been two interlocal cooperation commissions created, in Missoula and Helena, and for the most part the recommendations of these commissions are sitting on shelves. While there were some other reasons that may have prevented these recommendations from being implemented, it is possible the findings of these commissions might have been implemented if HB 760 had been law. Another such commission has just been formed in Yellowstone County.

We believe that the voters, those people who pay for and receive the services of local governments, should have a method available to them to determine how they want their services provided. We ask you to support HB 760.

P.O. Box 2519 • Billings, Montana 59103 • (406) 245-4111

CITY OF BILLINGS

February 18, 1981

220 NORTH 27TH STREET
P. O. BOX 1178
BILLINGS, MONTANA 59103
PHONE (406) 248-7511

Verner Bertelsen, Chairman
House Local Government Committee

The City of Billings supports House Bill 760.

With the economic conditions facing local governments today, it is becoming increasingly apparent that local governments must search for more efficient ways to deliver services including the consolidation or transfer of similar city and county functions. In this respect, we feel that House Bill 760 provides a good method of bringing about such consolidation or transfer.

While there are presently methods available with which to consolidate or transfer such services between local governments, there are times that political considerations make reaching such agreements difficult if not impossible. House Bill 760 would provide a means whereby such political consideration and problems could be overcome by referring the question to the voters.

House Bill 760 would also allow the consolidation and transfer of a service function to be tailored to meet the individual needs and unique problems of a specific community, flexibility that is not always available under present law.

In Yellowstone County at the present time, an interlocal cooperation commission has been formed to examine law enforcement in the county and its cities. While we are not trying to second-guess what their findings and recommendations will be, House Bill 760 would certainly provide an important means of implementing any recommendation they may make with regards to any consolidation.

The City of Billings urges that House Bill 760 be given a "do pass" recommendation.

Sincerely,

Cy Jamison
Ward 3 Council Member

NAME: Chuck O'Reilly DATE: 3-18-81

ADDRESS: Helena

PHONE:

REPRESENTING WHOM? Mont Sheriffs & Peace Officers

APPEARING ON WHICH PROPOSAL: HB 760

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Ms. Schmidt answered no, it is permissive. That is provided on page 6, line 11.

Senator Hammond moved the bill, as amended, be not concurred in.

Senator Van Valkenburg said Representative Kitselman said they can do it but they must hold separate meetings for the zoning commission and another for the county commissioners. This allows them to hold combined meetings.

Senator O'Hara said Cliff Christian said 33% of housing costs are caused by government regulations.

Senator Hammond's motion was opposed by Senators Van Valkenburg, O'Hara and Conover. Senators Hammond, Thomas, McCallum and Ochsner voted aye.

Senator Van Valkenburg moved to reconsider action on HB575 so it would not have to be amended and killed. The motion carried unanimously.

Senator Van Valkenburg moved the bill be returned to the form in which we received it from the House. The motion carried unanimously.

Senator Van Valkenburg moved that HB575 be not concurred in. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 760: Senator Van Valkenburg moved the bill be concurred in. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 790: Senator Thomas said line 25 on page 2 needs amended.

Debbie Schmidt agreed, it needs to be subject to the provisions of HB765.

Senator Thomas moved to amend the bill to coordinate it with HB765. The motion carried unanimously.

Senator Hammond moved the bill be concurred in as amended. The motion carried unanimously.

DISPOSITION OF HOUSE BILL 594: Senator Van Valkenburg moved the bill be concurred in.

Senator Thomas said this has connotations beyond the university system.

Senator Van Valkenburg said they are exempted.

Senator Thomas asked where the exemption was for group homes.

ROLL CALL

LOCAL GOVERNMENT COMMITTEE

47th LEGISLATIVE SESSION - - 1981 Date 3/26/81

NAME	PRESENT	ABSENT	EXCUSED
Senator George McCallum	✓		
Senator Jesse O'Hara	✓		
Senator H. W. Hammond	✓		
Senator J. Donald Ochsner	✓		
Senator Bill Thomas	✓		
Senator Max Conover	✓		
Senator Fred Van Valkenburg	✓		

Each day attach to minutes.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Date 3/26/81 House Bill No. 760 Time 12:15

NAME	YES	NO
Senator George McCallum	✓	
Senator Jesse O'Hara	✓	
Senator H. W. Hammond	✓	
Senator J. Donald Ochsner	✓	
Senator Bill Thomas	✓	
Senator Max Conover	✓	
Senator Fred Van Valkenburg	✓	

Gail Stockwell
Secretary, Gail Stockwell

George McCallum
Chairman, GEORGE MCCALLUM

Motion: Senator Van Valkenburg moved the bill be concurred in.

(include enough information on motion--put with yellow copy of committee report.)

STANDING COMMITTEE REPORT

March 26 19 81

MR. PRESIDENT

We, your committee on LOCAL GOVERNMENT

having had under consideration HOUSE Bill No. 760

WALDRON (HAGER)

Respectfully report as follows: That HOUSE Bill No. 760

BE CONCURRED IN

~~BE XXXX~~

G. A

GEORGE MCCALLUM, Chairman.

STATE PUB. CO.
Helena, Mont.